the rates have undergone revision from time to time. The present rates applicable to bank loans are as follows:—

| Size of limt | %per annum |
|---|---|
| (a) Upto and inclusive of Rs. 7500/- | 11.5 |
| (b) Over Rs. 7500/- and upto Rs. 25000/- | 13.5 |
| (c) Over Rs. 25000/- and upto Rs. 2 lakhs | 16.5 |
| (d) Over Rs. 2 lakhs | 19.0 (Minimum) |

For the term loans to agriculture, small scale industries and transport operators owing upto two vehicles, the rates on bank loans over Rs. 25000 to Rs. 2 lakhs is 15 per cent, and over Rs. 2 lakhs, the same is to have a minimum floor rate of 15 per cent.

As per directives issued by RBI, the banks are required to charge the interest on advances at the rates specified in RBI's directives with quarterly or longer rests and the borrowers are required to pay the interest as and when it is due. In case the interest is not paid by the borrowers, the same will be included in the outstandings resulting in compounding interest. The banks do not reduce the rate of interest fixed on the basis of the original size of the loan when slabs of size of loans comes down consequent upon repayment of the loan instalments.

In the existing structure of lending rates, the rates of interest applicable to the smaller borrowers are lower and only the borrowers enjoying credit facilities over Rs. 2.00 lakhs are subject to higher rate. The lending rates are prescribed by RBI keeping in view their monetary policy requirements. However, while pursuing a tightening monetary policy, RBI has taken care to ensure that the productive activity is not affected by inadequacy of credit.

**Location of a part of the department of tourism at Arunachal Bhawan, New Delhi**

*31. SHRI MOHINDER SINGH LATHER:
SHRI YASHWANT SINHA:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether it is a fact that a part of the Department of Tourism is located at Arunachal Bhawan, New Delhi;

(b) if so, what is the cost of rental and other charges including transportation and how long this arrangement will continue; and

(c) what are the reasons that the accommodation allotted by Directorate of Estates was surrendered especially in view of utmost need for economy and whether Govt. propose to construct a separate building in one of the satellite towns nearer to Delhi.

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) The cost of rental and other charges including transportation is Rs. 85,94,009.80. This arrangement will continue upto 31st May, 1992.

(c) The Ministry of Tourism and the Director General Tourism's Organisations are a combined Office and, therefore, a separate building in one of the satellite towns nearer to Delhi cannot be considered. The reason why alternate accommodation was hired was that the staff had represented that the conditions in the C-I Hutments were not conducive to a healthy working environment.

**Removal of ban export of vintage cars**

*32. SHRI PRAMOD MAHAJAN: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that Government propose to lift the ban on export of vintage cars;

(b) if so, what are the details thereof; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) and (b) No, Sir.

(c) In order to preserve such cars within the country they have been placed in the Negative List of Exports in the Export & Import Policy (1992-97).

**Implications of the Narasimham Committee report on free entry of foreign banks**

*33. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have examined the implications of the Narasimham Committee's recommendation on free entry of foreign banks into the country;

(b) if so, what are the details thereof and the decision taken by Government in this regard; and

(c) whether any conditions are proposed to be imposed by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c) Recommendations of the Committee on the Financial System (Chairman — Shri M. Narasimham) relating to the policy with regard to foreign banks in India are under examination.

**Outcome of Finance Minister's visit to Japan**

*34. SHRI KAPIL VERMA:
SHRIMATI VEENA VERMA:

Will the Minister of FINANCE be pleased to state:

(a) what was the outcome of his talks during his recent visit to Japan;

(b) whether it is a fact that Japan has agreed to consider India's request for quick disbursing of aid through O.D.A.

(c) if so, what are the details thereof and also the conditions, if any, stipulated by Japan;

(d) whether any high level mission from Japan has visited India in this regard; and

(e) if so, what is the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (c) There is appreciation in Japan, at both political and business levels, of India's economic reforms programme. The current assessment of the Japanese business community about India's economic prospects is favourable. There is recognition that countries implementing major economic reforms may face transitional problems requiring international support. Japanese authorities are sympathetic to India's case for quick